



Service Credit for Periods of Absence Due to Pregnancy or Adoption

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Overview

TRS members and annuitants can purchase up to three years of optional service credit for periods of absence during which the member or annuitant ceased covered employment due to pregnancy or adoption. The absence must have occurred prior to July 1, 1983.

Eligibility

To be eligible to purchase service credit for periods of absence prior to July 1, 1983, that were due to pregnancy or adoption, the member or annuitant must have returned to a TRS-covered position, or employment covered by the State Universities Retirement System, for either the period of the absence or one year, whichever is less.

Required documentation

All members and annuitants who are interested in purchasing pregnancy or adoption service credit must submit an application and provide TRS with acceptable documentation. Examples of acceptable documentation include:

Pregnancy (copies of):

- birth certificate of child
- medical or hospital records (miscarriage)
- fetal death certificate (stillborn)

Adoption (copies of)

- birth certificate of child
- legal documents
- court, adoption agency, or governmental records

It is the responsibility of the member, not the school district, to provide TRS with the required documentation.

Amount due for service credit

After receiving satisfactory documentation, TRS will calculate the amount of service credit available to the member or annuitant and the cost to purchase the credit. TRS will send a letter to the member or annuitant providing the service credit and cost information. The member or annuitant should respond to the letter if he or she wishes to purchase the optional service. The letter to the annuitant will also contain the estimated increase in the annuitant's retirement annuity.

***When to
purchase credit***

Members who have not yet retired must complete their pregnancy or adoption credit purchase prior to retirement if they want the credit included in their benefit calculation. Payment made after retirement will result in the recalculation of the retirement benefit, effective the first of the month following payment. Annuitants are permitted one opportunity to purchase the credit. Although it is advantageous for the annuitant to purchase the credit as soon as possible, there is no deadline. Both annuitants and members may purchase all or a portion of the credit to which they are entitled, **but annuitants may make only one purchase.**

***Payment
information***

The member or annuitant's salary rate immediately preceding the period for which credit is being established will be used in determining the contribution required for the pregnancy or adoption service credit. The amount due for the service credit is equal to the contributions that would have been required had the member continued serving under TRS, plus interest from the date the contributions would have been due to the date of payment. Interest, currently 6 percent compounded annually, will continue to accrue on any unpaid balance. Payments may be made in a lump sum, in installments, through payroll deduction with the employer, or by a direct rollover. Only the paid portion of optional service credit is used to calculate benefits. Annuitants will not be eligible for a recalculation of their annuity until full payment is received.

Annuity changes

Annuitants will receive benefit estimate letters containing information on annuity increases in addition to the cost to purchase the service credit. Remittance forms will accompany the estimate letter to expedite payment processing and allow for the earliest possible effective date for benefit increases.

Once TRS receives written notification of the intent to purchase the credit and the required payment is received, the annuity will be recalculated and the annuitant will be notified of the exact amount and effective date of the benefit increase. Please note that payment for pregnancy or adoption service credit cannot be deducted from monthly annuity payments.

Benefit increases will be effective on the date TRS receives written notification of the intent to purchase the service credit provided the required documentation and payment are received within 60 calendar days. **After 60 days, the benefit increase will be effective the first of the month following complete payment.** Benefit increases will not be retroactive to the date of retirement.

How to apply

To apply for the purchase of pregnancy or adoption service credit, follow these steps:

- Complete the application for credit for absence due to pregnancy or adoption.
- Enclose copies of the necessary documentation to apply for pregnancy or adoption leaves of absence.
- Mail the completed application and documentation to:

Attention: Member Accounts Department
Teachers' Retirement System
P.O. Box 19253
Springfield, Illinois 62794-9253

Be sure to include **all** necessary documentation in order to expedite the processing of the application. TRS may request additional information from members or employers to verify the accuracy of the information received.

Questions

Please call the TRS Member Services Division at (800) 877-7896 with questions about this service credit or other benefits available from TRS.

